

FISCAL IMPACT STATEMENT ON BILL NO. **H. 3023**

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TO:	The Honorable Ronald P. Townsend, Chairman, House Education and Public Works Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Tricia Tangney, Allan Kincaid		
DATE:	February 22, 2005	SBD:	2005003

AUTHOR:	Representative Herbkersman	PRIMARY CODE CITE:	59-23-510
SUBJECT:	Public-Private Education Facilities and Infrastructure Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

This Bill implements the Public-Private Education Facilities and Infrastructure Act, which allows private entities to develop qualifying projects in partnership with education facilities and other public infrastructure, including telecommunications infrastructure, and government facilities for the purpose of acquiring, designing, constructing, improving, renovating, expanding, equipping, maintaining, or operating those public facilities. The Bill also provides for the manner in which qualifying projects must be developed and submitted, and the terms that constitute an agreement between a private entity and education or government facility.

EXPLANATION OF IMPACT:

A review of this Bill by Budget and Control Board legal and procurement staff has determined that enactment could have an overall financial impact on state government. Currently there are processes in place for the purchase of goods and services and construction that are designed to provide economy and to maximize to the fullest extent practicable the purchasing value and volume of the state. If agencies elect to choose this option in lieu of the current procurement practices and processes designed for cost efficiencies, the Board indicates that there will be substantial increases for the cost of goods and services, as well as information technology procurement.

LOCAL GOVERNMENT IMPACT:

See above response.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget